VZCZCXRO1080 PP RUEHCHI RUEHDT RUEHHM RUEHNH RUEHPB DE RUEHKO #1656/01 1690840 ZNY CCCCC ZZH P 170840Z JUN 08 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 5143 INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY RUEHBJ/AMEMBASSY BEIJING PRIORITY 3955 RUEHRL/AMEMBASSY BERLIN PRIORITY 1439 RUEHBR/AMEMBASSY BRASILIA PRIORITY 0421 RUEHBY/AMEMBASSY CANBERRA PRIORITY 2666 RUEHJA/AMEMBASSY JAKARTA PRIORITY 4371 RUEHLJ/AMEMBASSY LJUBLJANA PRIORITY 0090 RUEHLO/AMEMBASSY LONDON PRIORITY 2086 RUEHML/AMEMBASSY MANILA PRIORITY 1215 RUEHME/AMEMBASSY MEXICO PRIORITY 0528 RUEHMO/AMEMBASSY MOSCOW PRIORITY 2370 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 8535 RUEHOT/AMEMBASSY OTTAWA PRIORITY 9689 RUEHFR/AMEMBASSY PARIS PRIORITY 6156 RUEHSA/AMEMBASSY PRETORIA PRIORITY 0291 RUEHRO/AMEMBASSY ROME PRIORITY 2118 RUEHUL/AMEMBASSY SEOUL PRIORITY 9951 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHAAA/NSC WASHDC PRIORITY RULSDMK/DEPT OF TRANSPORTATION WASHINGTON DC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 0371 RUEHBS/USEU BRUSSELS PRIORITY RUEHZN/ENVIRONMENT SCIENCE AND TECHNOLOGY COLLECTIVE RUEHFK/AMCONSUL FUKUOKA 8422 RUEHMT/AMCONSUL MONTREAL 0104 RUEHNH/AMCONSUL NAHA 0797 RUEHOK/AMCONSUL OSAKA KOBE 2129 RUEHKSO/AMCONSUL SAPPORO 9007

C O N F I D E N T I A L SECTION 01 OF 04 TOKYO 001656

SIPDIS

NSC FOR PAUL BROWN AND JONATHAN SHRIER CEQ FOR LANDON VAN DYKE DOT FOR LINDA LAWSON AND CAMILLE MITTELHOLTZ FAA FOR CARL BURLESON

E.O. 12958: DECL: 06/16/2018

TAGS: <u>SENV EAIR EWWT PREL JA</u>

SUBJECT: JAPAN HOLDS MEETING TO PREPARE FOR POSSIBLE

OCTOBER TRANSPORT MINISTERIAL ON ENERGY AND ENVIRONMENT

REF: 6/11 EMAIL FROM OES/EGC TOKYO 00001656 001.2 OF 004

Classified By: Amb. J. Thomas Schieffer for reasons 1.4 b, d.

 (C) Japan's Ministry of Land, Infrastructure, Transport, and Tourism (MLIT) held a meeting June 12 for G8 and ASEAN countries, as well as representatives from China, Philippines, South Korea, and Australia to discuss GOJ plans for a possible October 22 - 24 ministerial to discuss actions countries can take in the transport sector to cut greenhouse gas emissions and energy use. India was also invited, but did not attend. About half the countries were represented by officials from capitals. Much of the discussion focused on the initial draft communique MLIT had circulated, with delegations agreeing the 14-page document was too lengthy. Nevertheless, most of the remarks had to do with points in the draft communique with a number of countries offering detailed drafting suggestions and noting their governments would send further official comments on the text by the GOJ's June 30 deadline. A number of delegations, including Russia and Singapore, agreed with the U.S. that it is essential the proposed meeting not undercut on-going work in ICAO and the IMO. Informal conversations agreed considerable skepticism that ministers from the countries invited would attend such a meeting and there was a general sense that MLIT would need to reconsider how -- and perhaps whether -- to proceed once it receives official comments from capitals. Embassy EMIN and ESToffs participated for the U.S. and deployed the talking points in ref. Following summarizes specific countries' statements.

Australia

(C) The Australian delegation opened the discussion from the floor, noting the GOA found the initial Japanese draft communique overly long and too aspirational. They also said that it contained "very specific" policy recommendations that were problematic, e.g., a quantitative target on inland transport and a proposed working group, which would duplicate other processes and preempt the UNFCCC. The Australian del also noted the draft should reflect developments in current international discussions, specifically ICAO and IMO, and that there are gaps between what has happened in these talks and what is set out in the draft. The Australian del pointed as well to the meeting of transport ministers in Leipzig two weeks earlier. (Note: the UK rep also said that meeting's outcome needs to be reflected in the document. End Note.)
Australia's delegation questioned the merits of the separate draft statements on the three sub-sectors and said the Annex adds nothing to the overall document. They said turning the general efficiency goal endorsed by APEC into goals for the sub-sectors will be hard because governments have to make determinations on a country-by-country basis as to which sectors are the most cost effective in reaching their overall national goals. (Note: The UK echoed this point too, saying they tackle efficiency at the economy-wide level. End Note.)

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Canada

¶3. (C) Canada's delegation said the document should be "more digestible" and suggested cutting it by half. Moreover, if the draft is a list of prescriptions, they said, ministers will be less interested in it than if it gives them a basis to debate policy. They also echoed the U.S. in saying it should draw from other documents where there is already consensus. They supported preserving a leading role for ICAO in dealing with aviation emissions. (Note: as did Australia and Russia. End Note.) Canada's delegation specifically mentioned ICAO's non-discrimination principle.

UK

14. (C) The UK delegate asked that the document reference ongoing work in the UNFCCC more specifically and said it should call for aviation emissions to be addressed in the UNFCCC for post-2012. She said it should be a call for ICAO to take "real action" on emissions because HMG is dissatisfied with the level of progress there and suggested language in the MLIT draft on respecting the need for countries' "mutual consent" on aviation emissions measures be removed. The UK delegation also said the document should acknowledge that its recommendations would only slow the growth in transportation sector emissions. The UK delegate said the best course would be to work towards caps or other limits on overall transport emissions and also said the British minister is unlikely to come unless the ministerial seems poised to produce some new announcement, in particular in connection with inland transport.

EU --

15. (C) The EU Commission representative made basically the same points as the UK delegate, noting the EU's willingness to add greenhouse gas emissions from international aviation to the EU emission trading system. Germany's sole comment

during the day was to ask as well that this be mentioned in the draft.

Russia

16. (C) Russia's delegation said the communique would need to recognize the leading role of ICAO on aviation and reiterated Russia's position there that there is no basis for linking aviation emissions to climate change without further study. The Russian delegation also stated there is no consensus yet in ICAO on the issue and added the draft goes beyond the UNFCCC. The "mutual consent" issue has to be preserved for aviation and Russia does not support emissions trading in that sector. The delegation stated Russia generally has "no

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major reservations" to the inland transport draft statement MLIT presented, but said they wanted more information on the working group proposal to determine "whether or not it is acceptable to Russia."

China

17. (C) The Chinese delegation too noted that the proposed document should not interfere with discussions under the UNFCCC or go beyond developments in ICAO. Given that "we are following the Kyoto Protocol," the Chinese delegates said, transport ministers should make a statement that would emphasize countries' "common but differentiated responsibilities." China's delegation wants the document to mention technology transfer and technical support as well as the idea "developed countries must take the lead" in reducing emissions. They added that the draft was too prescriptive and that it should just emphasize countries' "shared vision." They also said any financial activity coming out of the proposed ministerial should be through the UNFCCC mechanism.

Cambodia

18. (C) Cambodia was the main ASEAN country to make more than a token comment during the day. The Cambodian delegation said the MLIT draft is too long for ministers to deal with, too detailed, and too prescriptive. They also said the draft does not make clear that most CO2 emissions come from developed, not developing, countries and that developed countries would need to acknowledge this situation.

Others

19. (C) France, represented by one Embassy staffer (all the countries listed above had representatives from capitals) expressed caution about financing mechanisms as France understands the G8 finance ministers are taking up this subject. Malaysia's delegation wanted the draft to say developed and developing countries face different sets of problems from climate change. The International Transport Forum representative said the report must refer to the cost effectiveness of the measures. He referred to an OECD/ITF working group report on CO2 emissions and said they would have a report on best practices by the end of the year. The World Bank representative echoed other speakers' comment that countries need to make their own decisions about which sectors are most cost-effective for reaching energy efficiency goals.

Japan

110. (C) Japan was represented by a large group from the Ministry of Land, Infrastructure, and Transport (MLIT). The

MLIT Senior Vice Minister made the opening statement and the chair was the director of MLIT's International Division. While somewhat defensive in their interaction with the various delegations, they seemed constructive about the points many made and appeared to realize major redrafting will be necessary. In particular they noted the preference for a streamlined document. The MLIT personnel defended the aspirational goals, which they said would make a "very strong statement" of countries' willingness to reduce emissions, even if the statements were not binding. The MLIT reps also said they want working-level agreement on the draft before presenting it to the ministers, but would consider hosting a session at the ministerial itself. Still, a number of delegations noted privately they were skeptical as to whether their ministers would come -- and some, such as Vietnam's said if the meeting did occur, that country's minister would not attend. SCHIEFFER